

REPORT OF THE COMMITTEE ON BUDGET

Voting Members:

Joey Manahan, Chair; Brandon J.C. Elefante, Vice-Chair;
Ron Menor, Kymberly Marcos Pine, Tommy Waters

Committee Meeting Held
May 12, 2020

Honorable Ikaika Anderson
Chair, City Council
City and County of Honolulu

Mr. Chair:

Your Committee on Budget, which considered Bill 26 (2020) entitled:

"A BILL FOR AN ORDINANCE TO AMEND THE REVISED ORDINANCES OF HONOLULU 1990, AS AMENDED, RELATING TO FEES FOR CERTAIN PERMITS AND SERVICES ADMINISTERED BY THE DEPARTMENT OF PLANNING AND PERMITTING,"

which passed Second Reading at the April 15, 2020 Council meeting, reports as follows:

The purpose of the bill is to amend the fees or fee schedules contained in Chapters 6, 18, 22, 23, 25, and Sec ___-1.10 of Ordinance 18-10, Revised Ordinances of Honolulu 1990, as amended, with the intent to recover a greater share of the costs related to the processing and administering of land use ordinance (LUO), building permits, park dedications, condominium property regime documents, subdivision applications, nonconforming use certificates, affordable housing, and to make various technical and non-substantive amendments.

The Acting Director of Planning and Permitting was present to respond to questions from Councilmembers.

Your Committee received written testimony in opposition to the bill from Complete Construction Services, Corp.

CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON **JUN 3 2020**

COMMITTEE REPORT NO. **117**

REPORT OF THE COMMITTEE ON BUDGET

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Your Committee considered and approved a CD1 version to the bill that makes the following amendments:

- A. Adds three new SECTIONS to the bill for the following:
 - 1. The amendments made to Table No. 18-A (previously in SECTION 3 now in new SECTION 4 of the bill);
 - 2. The repeal of ROH Section 22-1.5 (previously in SECTION 4 now in new SECTION 6 of the bill; and
 - 3. The effective date of the bill, which is now July 1, 2020 (SECTION 11 of the bill);and renumbers all other sections of the bill as appropriate.
- B. Revises the name of the new short-term rental permitted registration fee to short-term rental advertisement registration fee.
- C. In renumbered SECTION 4 of the bill, updates the language in Table No. 18-A to reflect amendments made by Ordinances 18-21 and 19-21.
- D. In renumbered SECTION 8, clarifies that the new nonrefundable \$150.00 fee for a special management area determination is not an application fee by designating the new fee as ROH Section 25-5.1(d).
- E. Makes miscellaneous technical and nonsubstantive amendments.

CITY COUNCIL

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Your Committee on Budget is in accord with the intent and purpose of Bill 26 (2020), as amended herein, and recommends that it pass Third Reading in the form attached hereto, as Bill 26 (2020), CD1. (Ayes: Elefante, Manahan, Menor, Waters – 4; Noes: None; Excused: Pine – 1.)

Respectfully submitted,



Committee Chair

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON JUN 3 2020

COMMITTEE REPORT NO. 117



A BILL FOR AN ORDINANCE

TO AMEND THE REVISED ORDINANCES OF HONOLULU 1990, AS AMENDED, RELATING TO FEES FOR CERTAIN PERMITS AND SERVICES ADMINISTERED BY THE DEPARTMENT OF PLANNING AND PERMITTING.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose and intent. The purpose of this ordinance is to amend the fees or fee schedules contained in Chapters 6, 18, 22, 23, 25, and Section 38-1.10, Revised Ordinances of Honolulu 1990, with the intent to recover a greater share of the costs related to the processing and administration of the land use ordinance, building permits, park dedications, condominium property regime documents, subdivision applications, nonconforming use certificates, and affordable housing, and to make various technical and non-substantive amendments.

SECTION 2. Section 6-41.1, Revised Ordinances of Honolulu 1990 ("Fee schedule"), is amended by amending subsection (a) to read as follows:

"(a) The fees set forth in the following schedule for applications under Chapter 21 and for variances therefrom [~~shall~~] must be paid upon application:

Type of Application	Fee
(1) Zone change	\$700.00, plus \$300.00 per acre or major fraction, up to a maximum of \$15,000.00
(2) Cluster housing	\$1,200.00, plus \$300.00 per acre or major fraction, up to a maximum of \$15,000.00
(3) Conditional use permit (major), and conditional use permit (minor) for a meeting facility, day-care facility, or school (elementary, intermediate, or high)	\$1,200.00, plus \$300.00 per acre or major fraction, up to a maximum of \$15,000.00
(4) Major project in special districts and downtown building heights in excess of 350 feet	\$1,200.00, plus \$300.00 per acre or major fraction, up to a maximum of \$15,000.00
(5) Plan review use	\$1,200.00, plus \$300.00 per acre or major fraction, up to a maximum of \$15,000.00



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(6)	Planned development-housing	\$1,200.00, plus \$300.00 per acre or major fraction, up to a maximum of \$15,000.00
(7)	Special districts: establishment of, or amendment to	\$1,200.00, plus \$300.00 per acre or major fraction, up to a maximum of \$15,000.00
(8)	Conditional use permit (minor), other than for a meeting facility, day-care facility, or school (elementary, intermediate or high)	\$600.00
(9)	Existing use	\$600.00, plus \$150.00 per acre or major fraction, up to a maximum of \$15,000.00
(10)	Exempt project in special districts	No permit fee required
(11)	Minor project in special districts	
	(A) Tree removal	\$100.00 per tree
	(B) Other than tree removal	\$600.00
(12)	Waiver	\$600.00
(13)	Zoning adjustment	
	(A) Sign master plan	\$1,200.00
	(B) Other than for sign master plan	\$600.00
(14)	Signs estimated value of work	
	(A) \$.01 to \$500.00	\$18.00
	(B) \$500.01 to \$1,000.00	\$35.00
	(C) \$1,000.01 and above	\$70.00



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- | | | |
|------|---|---|
| (15) | Zoning variance | [\$1,200.00] <u>\$2,400.00</u> |
| (16) | Nonconforming use certificate renewal | [\$400.00] <u>\$600.00 (2 years)</u> |
| (17) | Minor modifications | |
| | (A) To approved cluster housing permit; conditional use permit (major); conditional use permit (minor) for a meeting facility, day-care facility, or school (elementary, intermediate, or high); plan review use; planned development-housing permit, planned development-apartment, and planned development-resort; major projects in special districts, and downtown building heights in excess of 350 feet; and zoning adjustment for a sign master plan | \$600.00 |
| | (B) To conditional use permit (minor) other than for a meeting facility, day-care facility, or school (elementary, intermediate, or high); existing use; exclusive agriculture site approval; minor projects in special districts other than tree removal; agricultural site development plan; waiver; and zoning adjustment for other than for a sign master plan | \$300.00 |
| | (C) To temporary use approval | \$50.00 |
| (18) | Agricultural site development plan | \$600.00 |
| (19) | Planned Development-Apartment and Planned Development-Resort | \$15,000.00 |



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(20)	Written zoning clearance or confirmation, and flood hazard district interpretation	\$150.00 per request or for each tax map key when multiple parcels are involved; or \$300.00 per tax map key for requests involving confirmation of nonconforming status
(21)	Temporary use approval	
	(A) For a sales office	\$100.00
	(B) For other than a sales office	\$200.00
(22)	Exclusive agriculture site approval	\$600.00
(23)	Flood variance	\$600.00
(24)	Zoning district boundary adjustment	\$500.00
(25)	Appeals to zoning board of appeals [and contested case hearings]	\$400.00
(26)	Environmental document processing, when the department of planning and permitting is the accepting agency	
	(A) Environmental assessment	\$600.00
	(B) Environmental impact statement	\$1,200.00
<u>(27)</u>	<u>Reconsideration</u>	<u>\$2,400.00</u>
<u>(28)</u>	<u>Declaratory Ruling</u>	<u>\$2,400.00</u>
<u>(29)</u>	<u>Short-term rental advertisement registration</u>	<u>\$50.00"</u>



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SECTION 3. Section 18-6.2, Revised Ordinances of Honolulu 1990 ("Building permit fees"), is amended by amending subsection (d) to read as follows:

- "(d) Where work for which a permit is required by this chapter is started or proceeded with prior to obtaining such permit, the fees specified [~~shall be doubled,~~] will be tripled, but the payment of such [~~double~~] triple fee [~~shall~~] will not relieve any persons from fully complying with the requirements of this code or this chapter in the execution of the work, nor from any other penalties prescribed in this code or in this chapter."

SECTION 4. Table No. 18-A, Revised Ordinances of Honolulu 1990, as amended by Ordinance 19-21, is amended to read as follows:

**"Table No. 18-A
Fees for Permits**

The fees for the issuance of building permits [~~shall~~] will be computed in accordance with the following schedule:

Total Estimated Valuation of Work	Fee to be Charged
From \$0.01 to \$500.00	\$20.00
From \$500.01 to \$1,000.00	\$8.00 + \$2.50 per \$100.00 or fraction thereof of the total estimated valuation of work
From \$1,000.01 to \$20,000.00	\$12.00 + \$2.20 per \$100.00 or fraction thereof of the total estimated valuation of work
From \$20,000.01 to \$50,000.00	\$82.00 + \$18.00 per \$1,000.00 or fraction thereof of the total estimated valuation of work
From \$50,000.01 to \$100,000.00	\$286.00 + \$14.00 per \$1,000.00 or fraction thereof of the total estimated valuation of work
From \$100,000.01 to \$500,000.00	\$700.00 + \$10.00 per \$1,000.00 or fraction thereof of the total estimated valuation of work
From \$500,000.01 to \$2,000,000.00	\$3,200.00 + \$5.00 per \$1,000.00 or fraction thereof of the total estimated valuation of work
From \$2,000,000.01 and above	\$4,300 + \$4.50 per \$1,000.00 or fraction thereof of the total estimated valuation of work



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Other Fees: Inspection fees outside of normal business hours [~~shall~~] will be in accordance with Chapter 41, Article 20.

(1)	Renewal of Applications for Material Methods of Approvals	\$100.00
(2)	Review of Master Tract Model	\$500.00
(3)	Change of contractor designation	\$50.00
(4)	Applications for Material Methods of Approvals	\$300.00
(5)	Special assignment inspection fee	\$1,000.00
(6)	Plan review of revisions	\$200.00 or 10 percent of the original building permit fee, whichever is greater
(7)	Temporary certificate of occupancy	\$200.00
(8)	<u>Third party initial certification</u>	<u>\$500.00</u>
(9)	<u>Third party certification renewal (2 years)</u>	<u>\$1,000.00"</u>

SECTION 5. Section 22-1.1, Revised Ordinances of Honolulu 1990, is amended to read as follows:

"Sec. 22-1.1 Filing [~~fee-~~] fees.

Filing fees will be charged as follows:

- (1) A filing fee of \$400.00 for every application for subdivision or consolidation of land and an additional charge of \$100.00 for each lot noted on the initial preliminary map and for each additional lot resulting from any subsequent amendment of the initial preliminary map, exclusive of any lot set aside for



A BILL FOR AN ORDINANCE

roadway or easement purposes [~~shall be charged against every such application~~];

- (2) A filing fee of \$200.00 for every application for the designation of a public utility easement;
- (3) A nonrefundable filing fee of \$300.00 for review and written verification of agricultural restrictions that a condominium property regime established under HRS Chapter 514B does not restrict, limit, or prohibit agricultural uses or activities;
- (4) A nonrefundable filing fee of \$400.00 for lot research and determination;
- (5) A nonrefundable filing fee of \$300.00 for every application for park dedication providing private park land in perpetuity in conjunction with Article 7; and
- (6) A nonrefundable filing fee of \$200.00 for every application for park dedication providing in-lieu payment in conjunction with Article 7; provided that the fee will be credited towards the total in-lieu payment for the submittal."

SECTION 6. Section 22-1.5, Revised Ordinances of Honolulu 1990, is repealed.

~~["Sec. 22-1.5 Research and determination of lots.~~

~~Requests for lot research and determination shall be subject to a filing fee of \$400.00. Fees shall not be refundable."]~~

SECTION 7. Section 23-1.12, Revised Ordinances of Honolulu 1990, is amended to read as follows:

"Sec. 23-1.12 Variance application fee.

- (a) The application fee for a variance under this chapter [~~shall be \$1,200.00,~~] will be \$2,400.00, which [~~shall~~] will not be refundable; provided that the fee [~~shall~~] will be waived for city projects.



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- (b) When a shoreline setback variance or minor shoreline structure permit application, or a related environmental assessment or impact statement is submitted subsequent to the applicant's having completed the activity or structure for which the variance or minor shoreline structure permit is sought, or having been cited for the activity or construction without having obtained a variance or minor shoreline structure permit, the application or processing fee ~~[shall]~~ will be doubled.
- (c) When a request for a written clearance regarding compliance with the shoreline setback ordinance or confirmation regarding the nonconforming status of a shoreline structure is submitted for processing, the fee ~~[shall]~~ will be ~~[\$300.00]~~ \$600.00 per tax map key.
- (d) When a minor shoreline structure permit application is submitted for processing, the application fee ~~[shall]~~ will be ~~[\$200.00.]~~ \$600.00.
- (e) When an environmental assessment or impact statement must be prepared as a prerequisite to a variance required by this chapter, and is submitted to the department of planning and permitting for processing as the accepting agency, there ~~[shall]~~ will be a processing fee of ~~[\$600.00]~~ \$1,200.00 for an environmental assessment, and ~~[\$1,200.00]~~ \$2,400.00 for an environmental impact statement.
- (f) When a shoreline setback variance, minor shoreline structure permit, or prerequisite environmental assessment or impact statement is submitted for processing, there ~~[shall]~~ will be a nonrefundable application review fee to determine whether the application is complete or incomplete, as follows:
 - (1) Applications with a fee of ~~[\$1,200.00]~~ \$2,400.00 or more ~~[shall]~~ will have an application review fee of \$400.00;
 - (2) Applications with a fee of ~~[\$600.00 shall]~~ \$1,200.00 will have an application review fee of \$200.00; and
 - (3) Minor shoreline structure permits ~~[shall]~~ will have an application review fee of \$100.00.

When an application under this section has been accepted by the department of planning and permitting for processing, the application review fee for the submitted application ~~[shall]~~ will be counted as partial payment towards the total application fee for that submittal."



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SECTION 8. Section 25-5.1, Revised Ordinances of Honolulu 1990, is amended to read as follows:

"Sec. 25-5.1 Required materials.

- (a) When a proposed development requires a special management area minor permit, an applicant for development within the special management area [~~shall~~] will be responsible for submitting the following to the agency:
- (1) A completed application form (to be obtained from the agency);
 - (2) A tax map key identification of the property on which the applicant proposes development;
 - (3) A plot plan of the property, drawn to scale;
 - (4) A written description of the proposed development, a statement of the objectives of the development, and an estimate of the valuation of the development;
 - (5) A shoreline survey if the parcel abuts the shoreline, unless the proposed development is located inland of the waiver line established as provided in rules adopted by the director pursuant to HRS Chapter 91;
 - (6) Any other relevant plans or information pertinent to the analysis of the development required by the agency; and
 - (7) An application fee according to the schedule set forth in subsection (c).
- (b) When a proposed development requires a special management area use permit, an applicant for development within the special management area [~~shall~~] will be responsible for submitting the following to the agency:
- (1) A completed application form (to be obtained from the agency);
 - (2) The items set forth in subsections (a)(2) through (7);
 - (3) A written description of the affected environment which addresses the development's technical and environmental characteristics;



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- (4) Additional information that may be needed by the agency for determining the impacts of the proposed development on special wetland areas; and
- (5) (A) If the director allows concurrent processing of the assessment required by Section 25-3.3(c)(1) and the application for the permit, a copy of either a draft environmental assessment or a draft environmental impact statement preparation notice.
- (B) If the director does not allow concurrent processing of the assessment required by Section 25-3.3(c)(1) and the application for the permit, a copy of either the final environmental assessment for which a finding of no significant impact has been issued, or a completed and accepted EIS.
- (c) The application fee required by this section ~~[shall]~~ will be as set forth in the following schedule. Application fees are not refundable and shall be waived for city projects.
- (1) When a (major) special management area use permit application is submitted for processing, the application fee ~~[shall]~~ will be ~~[\$1,200.00,]~~ \$2,400.00, plus an additional ~~[\$300.00]~~ \$600.00 per acre or major fraction thereof, up to a maximum of ~~[\$15,000.00,]~~ \$30,000.00.
- (2) When a special management area minor permit application is submitted for processing, the application fee ~~[shall]~~ will be ~~[\$300.00,]~~ \$1,200.00.
- (3) When an environmental assessment or impact statement must be prepared as a prerequisite to a (major) special management area permit required by this chapter, and is submitted to the department of planning and permitting for processing as the accepting agency, there ~~[shall]~~ will be a processing fee of ~~[\$600.00]~~ \$1,200.00 for an environmental assessment, and ~~[\$1,200.00]~~ \$2,400.00 for an environmental impact statement.
- (4) When a (major) special management area use permit or minor permit application, or prerequisite environmental assessment or impact statement is submitted subsequent to the applicant's being cited for undertaking development without having obtained the necessary permit, the application ~~[fee set forth above shall]~~ fees, as specified in subdivisions (1), (2), and (3), will be doubled.



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- (5) When an application for a minor modification to a (major) special management area use permit is submitted, ~~[there shall]~~ the application fee will be [a fee of] \$200.00.
- (6) When an application for a (major) special management area use permit or minor permit, or a minor modification thereto, or a related environmental assessment or impact statement, is submitted for processing, there ~~[shall]~~ will be a nonrefundable application review fee to determine whether the application is complete or incomplete, as follows:
- ~~[(i)]~~(A) Applications with a fee of ~~[\$1,200.00]~~ \$2,400.00 or more ~~[shall]~~ will have an application review fee of \$400.00;
- ~~[(ii)]~~(B) Applications with a fee of ~~[\$600.00 shall]~~ \$1,200.00 will have an application review fee of \$200.00; and
- ~~[(iii)]~~(C) Applications with a fee of \$200.00 ~~[shall]~~ will have an application review fee of \$100.00.

When an application under this section has been accepted by the department of planning and permitting for processing, the application review fee for the submitted application ~~[shall]~~ will be counted as partial payment towards the total application fee for that submittal.

- (d) When a request for a special management area determination is submitted, a nonrefundable review fee of \$150.00 will apply."

SECTION 9. Section 38-1.10, Revised Ordinances of Honolulu 1990 ("Administration and fees"), is amended by amending subsection (c) to read as follows:

"(c) Applicable fees.

- (1) For-sale affordable dwelling units will be subject to an annual monitoring fee of \$50.00 per unit.
- (2) For-sale affordable dwelling units will be subject to a fee of \$600.00 per unit each and every time the real property title of the unit changes pursuant to Section 38-1.5.
- (3) For-rental affordable dwelling units will be subject to annual monitoring by a private compliance monitoring service, the fees for which will be paid by the owner of an affordable rental



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dwelling unit directly to the private compliance monitoring service.
For-rental affordable dwelling units will also be subject to an
annual monitoring fee of \$50.00 per unit.

- (4) An applicant eligibility certification fee of \$75.00 will be assessed
for each application reviewed by the city.
- (5) Applicable fees identified in this subsection may be imposed by
the city on other affordable housing projects to which this chapter
does not apply; provided that the fees will only apply to those
affordable housing units needed to fulfill a city requirement.
- (6) Resale of for-sale affordable dwelling units will be subject to a
\$600.00 fee per transaction."

SECTION 10. Ordinance material to be repealed is bracketed and stricken.
New material is underscored. When revising, compiling, or printing this Ordinance for
inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not
include the brackets, the bracketed and stricken material, or the underscoring.



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

BILL 26 (2020), CD1

A BILL FOR AN ORDINANCE

SECTION 11. This ordinance takes effect on July 1, 2020.

INTRODUCED BY:

Ikaika Anderson (br)

DATE OF INTRODUCTION:

March 2, 2020
Honolulu, Hawaii

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20 ____ .

KIRK CALDWELL, Mayor
City and County of Honolulu